at the timing is poor for the creation a Commission whose compound be largely determined by the ould be largely determined by the inistration now in power. I might ut to the Senator that the Foreign ations Committee has currently unaken an extended study of the UNAMERICAL AND AMERICAL PROPERTY OF THE AMERICAN STATE the Foreign Relations Committee assigned some of its very best staff to project and that I anticipate the reproject and that I anucipate the re-of this effort to be every bit as com-hensive and legislatively useful as-be the product of a Commission, it is to be the purpose.

I will not, however, oppose the tor's amendment.
Mr. BEALL. Does the Senator's st Mr. BEALL. Does the Senator's ment indicate a commitment to work the conference to see that its provide are kept a part of the bill?

Mr. SPARKMAN. I said I do not ment in meant that I am willing to cont. it.

pose it. I meant that I am winning the cept it.

Mr. BEALL. I appreciate the Sensity in the sens conference.

I yield to the Senator from Alab

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I yield to the Senator from Alaba Mr. ALLEN. Inasmuch as I offer a Mr. ALLEN. Inasmuch as I offer a mittee to be set up in the Senate to mittee to be set up in the Senate to mittee to be set up in the Senate to mittee to be set up in the Senate to mittee to be set up in the Senate to mittee to be set up in the Senate of the mittee to the set up in the Senate friend, the proponent, that mittee to be set up in the Senate of the it was part of and it is part of the it was part of and it is part of the it was part of and it is part of the it was part of and it is part of the it was part of and it is part of the it was part of and it is part of the it was part of and it is part of the it was part of and it is part of the it was part of and it is part of the United Nations and to state in the United Nations and States in the United Nations and States in the United Nations and States in the United Nations, I would state it of the United Nations, I would it be set of the United Nations, I would it be married in the interest of the United Nations and the purview of this special. Community of this special Community of the Maryland a question:

Mr. BEALL In answer to the office of the distinguished Senator from New withdraw from the United Nations of the distinguished Senator from New withdraw from the United Nations of the distinguished Senator from the United Nations of the distinguished Senator from New withdraw from the United Nations of the distinguished Senator from New withdraw from the United Nations of the distinguished Senator from New withdraw from the United Nations. I have voted against most amendment to the bamm. I would read section (5) (c) thank. I would read section (5) (c) thank. I would read section (5) (c) thank I would read section (6) (c) the control of the t ne bill this en the might ie case, cussion he time to hear iguished Foreign amendint. I ap-

bama. I would read section (5) (c)

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dations.

Mr. ALLEN, Yes. I notice that is conemplated in the very next subsection where it says:

March 29, 1976

The Commission shall, from time to time The Commission shan, from time to time, and in a mal report, report the results of its study and investigation and submit its recommendation to the President and the Commendation.

Mr. BEALL. The Senator is correct.
Mr. ALLEN. I assume that such a recommendation would be in order if it felt ommensus in the best interests of the that it was in the best interests of the United States.

Mr. BEALL. The commission can do

MI. DERMAN. The commission can do thatever it thinks is best in carrying out its responsibilities.

Mr. ALLEN. I thank the Senator.
Mr. JAVITS. Mr. President, will the
Senator yield to me?
Mr. SPARKMAN. I yield out of my

time to the Senator from New York.

mr. JAVITS. Mr. President, I think the answer of the Senator from Maryland has satisfied the concerns which I would have. I do not want to see a loaded commission which would be authorized to de-termine whether we should or should not withdraw from the United Nations because I think that would be invidious and represent one step in that direction represent one step in that direction which would be highly unwise and not in the interests of our country. But an open commission which is here specified is the basis I would gather for the acceptance by the chairman and our ranking member and also the way in which

of the distinguished section (5) (U) and account of the distinguished section (5) (U) and the distinguished section (6) (U) and the distinguished nature and extent of United States of the confidence of people across the auton therein.

I think that ultimately, it shows the responsibility of the President participation in the U.N. and I the Congress to take the results at participation in the U.N. and I the Congress to take the results at participation in the U.N. and I define this would be done with commendations of the Commission as to objectivity by the members of the make the policy decisions as to objectivity by the members of the tent of U.S. participation in the tent of U.S. participation in the mission. I would not ask them to tent of U.S. participation in the united and the kind of neutral, unemomission, in doing a complete an get the kind of neutral and the doing a com

Mr. ALLEN, I ask unanimous consent that my name be added as a cosponsor to the amendment

The PRESIDING OFFICER. Without

objection, it is so ordered.
Mr. BEALL, Mr. President, I ask unanimous consent that the Senator from Oklahoma (Mr. Bartlett) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without

objection, it is so ordered

Mr. BEALL. I would be happy to yield back my time.

The PRESIDING OFFICER, Is all time yielded back?

Mr. SPARKMAN. I am happy to yield back the remainder of my time

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment of the Senator from Mary-

The amendment was agreed to AMENDMENT NO. 1521

Mr. PROXMIRE. Mr. President, I call up my amendment No. 1521 and ask for its immediate consideration.

The PRESIDING OFFICER. The

amendment will be stated.

The assistant legislative clerk pro-

ceeded to read the amendment.

Mr. PROXMIRE. Mr. President, I ask

unanimous consent that further reading of the amendment be dispensed with.
The PRESIDING OFFICER. Without

objection, it is so ordered.

The amendment is as follows:

On page 3, between lines 17 and 18, insert the following new section:

"FOREIGN GIFTS

"Sec. 103. (a) The Act entitled 'An Act to provide certain basic authority for the Department of State', approved August 1, 1956, as amended, is amended by adding at the end thereof the following new section:
"Sec 20. (a) No property methods:

end thereof the following new section:

"SEC. 20. (a) No property purchased with appropriated funds in excess of \$50 and no appropriated funds in excess of \$50 and no appropriated funds in excess of \$50 may be given to any person of any foreign country.

"(b) Not later than thirty days following the end of each fiscal year, the President shall transmit a report to the Speaker of the House of Representatives and Committee on Foreign Relations of the Senate describing fully and completely—

Foreign Relations of the Senate describing fully and completely—
"(1) any gift given on behalf of any person by, or with the assistance of, any officer or employee of the United States to any person of any foreign country and

son of any foreign country; and

(2) the activities of such officer or employee with respect to the giving of such

(c) Any financial transaction involving (c) Any financial transaction involving any funds made available to meet unforescen emergencies arising in the Diplomatic and Consular Service shall be audited by the Comptroller General and reports thereon made to the Congress to such extent and at such times as he may determine necessary. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and all other papers, things, or property pertaining to such financial transaction and necessary to facilitate the audit.

"(b)(1) Section 7342 of title 5, United

"(0)(1) Section 1942 of the 6, Since States Code, is amended—
"(A) by striking out the section caption and inserting in lieu thereof the following:
"'\$ 7342. Foreign gifts and decorations";

and
"(B) by striking out subsection (c) and inserting in lieu thereof the following:

"'(c) Congress does not consent to the accepting or retaining by an employee of any gift. No gift may be accepted by an em-ployee'.

plyce'
"(2) Item 7342 in the analysis of subchapter IV of chapter 73 of such title 5 is amended to read as follows:
"7342. Foreign gifts and decorations.'
"(c) The amendments made by this section shall apply only with respect to gifts tendered on or after the date of enactment of this Act.".

On page 3, line 20, strike out "SEC. 103." id insert in lieu thereof "SEC. 104.".
On page 4, line 2, strike out "SEC. 104."

and insert in lieu thereof "Sec. 105"

On page 4, line 17, strike out "SEC. 105" and insert in lieu thereof "SEC. 106." On pages 8, line 14, strike out "SEC. 106." and insert in lieu thereof "SEC. 107.".

Mr. PROXMIRE. Mr. President, I have discussed this amendment with the manager of the bill, the ranking minority member, and as far as I know, they are

willing to accept the amendment.

This amendment, incidentally, has been passed by the Senate before; it did not survive conference, but I hope it will this time.

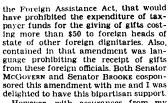
Mr. President, as the deadline for filing of Federal income taxes draws closer, taxpayers across the country will be writing checks to pay for \$375 billion worth of Federal programs and projects. Yet there certainly must be millions of Americans gnashing their teeth in disgust over what I consider to be one of the most wasteful, unnecessary, and inappropriate traditions ever perpetuated with tax dol-lars. I am referring to the giving and receiving of gifts by officials of both the United States and foreign countries.

Today, I am reintroducing an amendment to the State Department authoriza-tion bill—S. 3168—that, if enacted, would virtually eliminate the wasteful practice of giving and receiving gifts valued at over \$50, by U.S. and foreign government officials. Second, the amendment would call for the President to report annually to the Speaker of the House and the Committee on Foreign Relations of the Senate on all gifts provided with nonappropriated funds or from private sources passing through the Government to any person of a foreign country Finally my amendment would grant authority to the General Accounting Office to audit an-nually the Diplomatic and Consular Service Fund at the State Department a catch-all slush fund that has been used for everything from jewelry to disaster relief emergencies

Mr. President, on October 2, 1974, I introduced amendment No. 1873 to the Foreign Assistance Act of 1961, requiring the President merely to report all properties of \$50 or more purchased with appropriated funds which were given by him or any officer in the Federal Government to any person of any foreign country. This amendment was modified to prohibit the giving and receiving of gifts by U.S. and foreign officials and was

passed by voice vote on that day.
Unfortunately, the entire Foreign Assistance Act was recommitted to the Senate Appropriations Committee for further consideration and the amendment died

Then on December 4, 1974, I introduced another amendment to S. 3394,



However, with assurances from my distinguished colleague Senator McGee of the Foreign Relations Committee, that subsequent comprehensive. corrective legislation on gift-giving would receive careful committee consideration, I withdrew my amendment.

In May of 1975 I introduced S. 1762, a

In May of 1975 I introduced S. 1762, a bill to prohibit the giving of gifts and the acceptance of gifts by Federal employees. It was referred to the Foreign Relations Committee without action.

Finally, on September 11, 1975, 1 reintroduced my gift-giving and receiving amendment to the Foreign Relations Authorization Act of 1976–1977—the same type of amendment that was accepted hack in October of 1974 on the cepted back in October of 1974 on the foreign aid bill, but subsequently died with that recommitted bill.

once again, in an attempt not to bog down the passage of that important ap-propriation bill, I withdrew my amend-ment after receiving assurance from the chairman of the Foreign Relations Committee that hearings would be held on this question of gift-giving's role in the ederal Government and foreign policy.

Mr. President, gift giving has nearly quadrupled over the past 25 years, and it is costing the taxpayer \$1 million per year to run this Federal "giveaway" pro-gram and to monitor the receipt of gifts from abroad. The American taxpayer is fed up and hopefully my colleagues in the Senate will see fit to give the beleaguered American taxpayer a "legislative" refund" by passing this amendment prior to April 15

Mr. President, just a few more words about what I mean when referring to gift about what I mean when referring to gift giving and receiving. The State Department has informed my office and the General Accounting Office that at least \$1 million annually is spent in the purchase and giving of gifts to various foreign dignitaries. We all remember the \$3 million VH3A Sikorsky helicopter this country gave to Egyptian President Anwar Sadat—a helicopter that is now rusting in the Egyptian desert. The GAO rusting in the Egyptian desert. The GAO concluded that this gift was contrary to the "intent of Congress."

During former President Nixon's trip to the Near East, 76 other personal gifts were provided to local authorities. These ranged from Steuben crystal to more ex pensive American works of art. The funds for this gift giving came out of the \$2.1 million slush fund called the Emergencies in the Diplomatic and Consular Services Account of the Department of

And then there was the \$10 million Egyptian Pound gift to the favorite charity of Mrs. Anwar Sadat.

Mr. President, the State Department has refused to disclose the purpose of these gifts and the recipients of each. They continue to operate in secrecy-

handing out tens of thousands of American tax dollars without any accountability or review.

Now Mr. President, the foreign policy

of this country will not rise or fall on gift giving. We will not conclude a new arms control agreement or a Middle East peace agreement because of gift giving or receiving. This amendment recognizes that fact and establishes a Federal policy that fact and establishes a Federal policy that is consistent with the regulations that apply to many other Federal em-ployees here at home. Small gifts for diplomatic purposes would still be per-missible—those that cost under \$50 each. But extraverent effs clearly would be But extravagant gifts clearly would be prohibited and that makes good sense for the taxpayers of this country.

Mr. President, I am hopeful that the manager of the bill can accept the amendment.

Mr. SPARKMAN. Mr. President, I may say that we discussed this rather fully

Mr. PROXMIRE. That is right. Mr. SPARKMAN. I am ready to accept

Mr CASE. This has been accepted by the Senate previously and I join my chairman and accept the amendment

Mr. SPARKMAN. I yield back the remainder of my time

Mr. PROXMIRE. I yield back the remainder of my time

The PRESIDING OFFICER. All time having been yielded back the question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment was agreed to.
Mr. PELL. Mr. President, I call up my amendment and ask that it be stated.
The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. PELL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows

At the end of the bill add the following new title: TITLE V—AMENDMENTS TO THE FOREIGN SERVICE ACT

FOREIGN SERVICE STAFF PARTICIPATION SEC. 501. (a) Section 803 of the Foreign Service Act of 1946 (22 U.S.C. 801-1159) is amended by adding the following subpara-graph at the end of paragraph (a) thereof: "(4) All Foreign Service staff officers and employees appointed by the Secretary of State or the Director of the United States Information Agency with unlimited appoint-

(b) Section 803 of such Act is further amended by changing the reference at the end of subparagraph (b)(2) from "852(b)"

(c) Section 803 of such Act is further amended by deleting paragraph (c) thereof. DEFINITIONS

SEC, 502. (a) The heading of section 804 of such Act is amended to read "DEFINITIONS".

(b) Section 804 of such Act is amended by deleting paragraph (a), the preface in paragraph (b), and subparagraphs (b) (1), (2), and (3) and substituting the following lieu thereof immediately following the

"When used in this title unless otherwise specified, the term—

"(a) 'Annuitant' means any person in-cluding a former participant or survivor who meets all requirements for an annuity from the Fund under the provisions of this of any other Act and who has filed claim therefor.

"(b) 'Surviving spouse' means the survi-time wife or husband of a participaration

"(b) "Surviving spouse" means the survising wife or husband of a participant, as
annuitant who, in the case of a death, it
Service or marriage after retirement,
married to the participant or annuitant was
at least two years immediately preceding has
or her death or is the parent of a child begs

or her death or is the parent of a child but of the marriage.

(c) 'Child' except in section 841 marriage.

(c) 'Child' except in section 841 marriage.

(d) 'Child' except in section 841 marriage and unmarried child under the age of eighten years, or such unmarried child regardless age who because of physical or mental disability incurred before age eighten in capable of self-support. In addition to offspring of the participant, the term cludes (i) an adopted child, (ii) a stepchic or recognized natural child who reside marriage and (iii) a child who lived with and whom a petition of adoption was filed by articipant, and who is adopted by the participant, and who is adopted by the viving spouse of the participant after latter's death. 'Child' also means an unmarried student below the age of twentylatter's death. 'Child' also means an unnified student below the age of twentyyears. For this purpose a child whose twen
second birthday occurs before July 1 or at
August 31 of a calendar year, and while
student is deemed to have become twee

student is deemed to have become two
two years of age on the first day of
after that birthday.

"(d) 'Student' means a child regun
jursuing a full-time course of study or traing in residence in a high school, traschool, technical or vocational institute, it
ior college, university, or comparable red
nized educational institution. A child
is a student shall not be deemed to h
cessed to be a student during over the ceased to be a student during any inte-between school years, semesters, or term between school years, semesters, or term the interim or other period of nonattenda does not exceed five calendar months and the child shows to the satisfaction of Secretary that he or she has a bona fide-tention of continuing to pursue such con-

during the school year, semester, or a immediately following the interim.

"(e) 'Military and naval service' me honorable active service--
"(A) in the Armed Forces of the Um

"(B) in the Regular or Reserve Corpute Public Health Service after June 1960; or

"(C) as a commissioned officer of the tional Oceanic and Atmospheric Adminis-tion or predecessor organization after J 30, 1961;

but does not include service in the National

but does not include service in the National Count except when ordered to active do in the service of the United States."

(c) Section 804 of such Act is further amended (A) by renumbering present apparagraphs "(b) (4)", "(5)" and "(6)", "(7)", "(8)" and "(6)", "(7)", "(8)" and "(1)", respectively, and 1, and by adding the following as a new immediately following renumbered parag

(g):
"(h) Foreign Service normal cost' m the level percentage of payroll required.
be deposited in the Fund to meet the end of benefits payable under the System (one puted in accordance with generally accept actuarial practice on an entry-age ba-less the value of retirement benefits are under another retirement system for Ge-ernment employees and less the con-credit allowed for military service."

CONFORMITY WITH CIVIL SERVICE RETIRE
SYSTEM

SEC. 503. Immediately below section of such Act, add the following new section
"Authority to maintain existing areas."
Conformity between civil service FOREIGN SERVICE RETIREMENT SYSTEMS SEC. 805. (a) In order to maintain exists conformity between the Civil Service Retails

**STAT**